



COUNTY OF LOS ANGELES

DEPARTMENT OF PUBLIC WORKS

"To Enrich Lives Through Effective and Caring Service"

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IN REPLY PLEASE

REFER TO FILE: PD-1

October 23, 2008

TO: Each Supervisor

FROM: Dean D. Efsthioiu
Acting Director of Public Works

ALAMEDA CORRIDOR-EAST CONSTRUCTION AUTHORITY BOARD MEETING-SEPTEMBER 22, 2008

On September 22, 2008, my staff attended the regular Board meeting of the Alameda Corridor-East (ACE) Construction Authority. A copy of the September 22, 2008, agenda and adopted minutes of the August 25, 2008, regular Board meeting are attached. The following items were discussed at the meeting, which are of interest to the County.

Agenda Item VI – The Chief Executive Officer reported that the California Transportation Commission voted on August 28, 2008, to allocate \$25.6 million from the Proposition 1B Highway-Railroad Crossing Safety Account for the Nogales Street Grade Separation project.

Agenda Item VII – The Board approved staff's recommendation to authorize the Chief Executive Officer to amend the contract with DMJM+Harris, Inc., to add \$21,280 for design services for the restoration of an adjoining shopping center parking lot during construction of the Ramona Boulevard Grade Separation project, for a new contract value of \$3,287,602.

Agenda Item VIII – The Board approved staff's recommendation to authorize the Chief Executive Officer to amend the contract with DMJM+Harris, Inc., for the Nogales Street (LA Subdivision) Grade Separation project to add \$777,058 for additional services necessary to update and complete the design plans, for a new contract value of \$3,010,075.

Each Supervisor
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Agenda Item IX – Staff reported that ACE is in the process of obtaining easements and acquiring properties for the Baldwin Avenue Grade Separation project and also opened a field office to assist residents and businesses affected by the project. Approximately \$8,574,000 has been expended to date for right-of-way acquisition, and utility and property owner relocations.

The next Board meeting will be held on October 27, 2008, at 2 p.m., at the Irwindale City Hall Chambers.

HF:pr

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Attach.

cc: Chief Executive Office (William T Fujioka, Lari Sheehan)
Executive Office



Alameda Corridor-East Construction Authority

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ALAMEDA CORRIDOR-EAST CONSTRUCTION AUTHORITY

BOARD OF DIRECTORS

REGULAR MEETING AGENDA

Monday, September 22, 2008 – 2:00 P.M.

Irwindale City Hall

5050 Irwindale Avenue

Irwindale, CA 91706

Members of the public may comment on any item on the agenda at the time it is taken up by the Board. We ask that members of the public come forward to be recognized by the Chair and keep their remarks brief. If several persons wish to address the Board on a single item, the Chair may impose a three-minute time limit on individual remarks at the beginning of the discussion.

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|-------|---|--------------------|
| I. | Roll Call and Introductions | |
| II. | Pledge of Allegiance | |
| III. | Approval of Minutes of Meeting of August 25, 2008 (Pages 1-4) | Action |
| IV. | Public Comment | |
| V. | Chairman's Remarks | Information |
| VI. | Chief Executive Officer's Report (Pages 5-13) | Information |
| VII. | Approval of Design Amendment with DMJM+Harris for the Ramona Street Grade Separation (Pages 14-15) | Action |
| VIII. | Approval of Design Amendment with DMJM+Harris for Nogales Street Grade Separation (Pages 16-17) | Action |
| IX. | Update on Baldwin Avenue Property Acquisitions and Relocations | Information |
| X. | Closed Session: The Board will adjourn to closed session for conference with legal counsel due to significant exposure to litigation pursuant to subdivision (b) of Government Code Section 54956.9 (two potential cases) | Possible
Action |
| | And in accordance with Government Code Section 54957 to discuss the performance evaluation of the Chief Executive Officer | Possible
Action |

The ACE Construction Authority is constituted of seven (7) member jurisdiction; the Cities of El Monte, Industry, Montebello, San Gabriel and Pomona, the County of Los Angeles and the San Gabriel Valley Council of Governments. A San Bernardino County Council of Governments representative is an ex-officio Board member. Each member or alternate has one vote. A quorum of the ACE Construction Authority is no less than four (4) of its total voting membership. Actions taken by the ACE Construction Authority shall be by simple majority of the members present with a quorum in attendance except for personnel actions, the annual budget, matters dealing with the Administrative Code or matters requiring subsequent approval by the SGVCOG, all of which shall require five (5) votes. All disclosable public records related to this meeting are available for viewing at the ACE office above during normal working hours.



**ACE Construction Authority
Board Meeting
August 25, 2008**

Vice Chairman Spohn called the meeting to order at 2:00PM in the Irwindale City Conference Room.

1. In attendance were:

Tim Spohn, Vice Chairman
Ernest Gutierrez, El Monte
Harry Baldwin, San Gabriel
Dave Spence, La Canada Flintridge, SGVCOG
Rosemarie Vasquez, Montebello
Michael Antonovich, Los Angeles County

Staff

Rick Richmond, Chief Executive Officer	
Joe Silvey, Legal Counsel	
Regina Talamantez, staff	Ram Ramhormozi, staff
Cynthia Ambrose, staff	Charles Tsang, staff
Carlos Monroy, staff	Paul Hubler, staff
Deanna Stanley, staff	

Guests

Hank Fung, LA County Public Works
Laura Cornejo, City of Montebello
Preston Kelley, Jacobs Engineering
Bruce Russell, Jacobs Engineering
Karalee Etheridge, Congressman Gary Miller
Claudia Rodarte, AAE, Inc.
Henry Lo, Senator Gloria Romero
Isela Aguirre, Lee Andrews Group

2. Pledge of Allegiance

Member Baldwin led the pledge of allegiance.

3. Approval of Minutes of June 23, 2008.

A motion was made to approve the meeting minutes of June 23, 2008.
M/S/C: Gutierrez/Vasquez /Unanimous

4. Public Comment

There were no public comments.

5. Chairman's Remarks

Vice Chairman Spohn indicated a meeting was held recently with the Union Pacific Railroad, initiated by Congresswoman Grace Napolitano to discuss issues

with stakeholders. Mr. Richmond reported the meeting was well attended and issues covered included trash along the railroad right of way and Chairman Hunter raised concerns over UP's compliance with sounding horns in designated quiet zones. The Board directed staff to send a thank you letter to Congresswoman Napolitano for initiating the meeting.

6. Chief Executive Officer Report

Mr. Richmond apologized for the limited space in the conference room due to the renovations underway outside of the council chambers. He introduced new employees: Paul Hubler, Director of Government and Community Relations; Ram Ramhormozi, Senior Contracts Administrator; Charles Tsang, Senior Project Manager and Isela Aguirre, Public Outreach Specialist of Lee Andrews Group.

Mr. Richmond reported the application for \$25.6 million in Prop 1B funding for the Nogales Street grade separation is being recommended for approval by CTC staff at the August 27-28 meeting. He indicated right of acquisition should begin at the end of the year.

Mr. Richmond reported meetings were recently held with Congressman Adam Schiff and Congresswoman Grace Napolitano to update them on the ACE Project and thank them for their continued support.

Mr. Richmond updated the Board on the status of SB 974 (Lowenthal). He indicated this bill is being held being sent to the Governor until the State budget is adopted. Staff will continue to monitor.

Regina Talamantez, Senior Project Manager, reviewed construction progress photos of the Brea Canyon Road grade separation project. Rick Richmond reviewed Sunset Avenue construction photos.

7. Approval of Award of the Temple Avenue Fourth Track Infrastructure Construction Contract to SEMA Construction Inc.

Mr. Richmond reviewed the scope of work of the Temple Avenue 4th track project. He indicated bids were opened on August 12 from six bidders and SEMA Construction was the low responsive bidder at \$12,104,916. He indicated the bid included mathematical errors which have been corrected and SEMA has confirmed their interest. Supervisor Antonovich asked if staff had or could develop criteria to judge credibility of bidders. He indicated MTA experienced submissions from a contractor with a history of low bidding followed by excessive change orders. Mr. Richmond explained bid bonds were required that the bidder, if awarded the contract, will enter into the contract at the bid price and furnish the prescribed performance and/or payment. He indicated, though bid bonds were set up to perform an essential function as a filter to exclude

frivolous and unqualified bidders, it is extremely difficult to collect on a bond. The Board asked Mr. Richmond to recount ACEs experience with SEMA. He indicated they were the low bid by a substantial amount on the Brea Canyon Road but later withdrew their interest due to mathematical error on their bid.

A motion was made to authorize the award of a contract to SEMA Construction, Inc. for construction of the Temple Avenue Fourth track infrastructure project in an amount not-to-exceed \$12,104,917.

M/S/C: Gutierrez/Vasquez/Passed/Antonovich Abstain

8. Approval of Amendment for Construction Management Services for the Sunset Avenue Grade Separation Project with PB Americas, Inc.

Mr. Richmond reviewed the scope of the Sunset Avenue project. He indicated the Sunset project was unique in that the tracks were to be elevated, a design the Union Pacific is not particularly fond of. He reviewed the problems included inaccurate site conditions, particularly with utilities. He explained the design process included incorporating existing utility locations from the utilities and city. Pot holing is done to confirm utility locations, however, proved at an inadequate level for this project. In addition, UPRR has exhibited an extraordinary degree of scrutiny, particularly with regards to safety issues with the contractor which has resulted in a higher degree of safety and oversight required. The contract duration was inadequate. The overall result is the duration and level of effort has increased. Mr. Richmond indicated he was hopeful there would be no further authorizations necessary through the end of the project.

A motion was made to authorize the Chief Executive Officer to amend the contract with PB Americas to add an amount not to exceed \$3,404,271 to task order #3 of the contract for construction management services for the Sunset Avenue grade separation project.

M/S/C: Baldwin/Gutierrez/Passed/Antonovich abstain

9. Approval of Increased Construction Contract Contingency for the Brea Canyon Road Grade Separation Project

Mr. Richmond explained the need for an increase in contingency resulted from an upgrade to the groundwater system required by the City of Industry. He reminded the Board that a groundwater system was in the contract but the additional compensation for an upgraded system would be paid for by the City of Industry by a way of a betterment.

A motion was made to approve an increase in the Chief Executive Officer's contract contingency authorization by \$280,000 for a betterment requested and funded by the City of Industry to add a supplemental groundwater pumping system to the Brea Canyon Road grade separation project.

10. Approval of Proposed Amendments to Conflict of Interest and Disclosure Code

Mr. Richmond indicated the Executive Office of the County periodically requires agencies to review their disclosures to see if amendments are necessary. As a result of ACE bringing several functions in-house an amendment is necessary. He reported that ACE seeks to include two new positions in its reporting disclosures and change the title of another as outlined in the staff report.

A motion was made to approve the proposed amendment to designated position in the Conflict of Interest and Disclosure Code.

M/S/C:Antonovich/Gutierrez/Unanimous

11. Quarterly Progress Report

Mr. Richmond reviewed the project progress for the quarter as outlined in the agenda. Project cost increases of \$.5M at Ramona included right of way and construction costs. Temple Avenue increases of \$.4M were due to right of way and additional design and increases of \$.4M for construction were experienced at the East End/Reservoir project. Accomplishments for the quarter included completion of the pump station and underpass roadway at East End which opened to traffic in June. Punchlist items were completed for the Ramona Blvd grade separation. At Brea Canyon Road SCE relocations were completed at the south end. Railroad bridge and retaining wall construction was also completed for the project. Storm drain relocations and removal of subgrade materials continued at Sunset Ave. Fabrication of bridge girders began for Orange Ave and California Ave.

12. Quarterly Financial Report

Carlos Monroy reviewed financial reports for the past quarter.

13. Closed Session: Legal counsel announced adjournment to closed session in accordance with Government Code Section 54956.8 for conference with real property negotiators to discuss price and terms. Mr. Silvey also announced that at the request of the Chairman, the discussion of the Chief Executive Officer's performance was postponed to the September meeting.

The Board returned from closed session and Mr. Silvey announced the Board approved a settlement offer to Victor and Mary Magallanes for a 6-month extension of a temporary construction easement necessary for the East End Avenue grade separation project in the amount of \$13,000.

M/S/C:Baldwin/Vasquez/Unanimous

14. Adjournment. The Board adjourned at 3:18PM